(d) whether it is also a fact that officers of the rank of Chief Commissioner and Commissioner of Income Tax are being transferred and posted by the Chairman, CBDT, without the explicit order of the Minister; and

(e) if so, what are the circumstances leading to such postings and transfers?

THE MINISTER OF STATE IN, THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (e) All Group 'A' officers are liable to be transferred in public interest and posted anywhere in the country. Such transfers are made keeping in view the considerations of the need to expose officers to different work conditions and their suitability, ad ministrative needs and economy in expenditure. Transfer of Chief Com missioners of Income-tax is made with the approval of the Finance Minister. In respect of officers of the rank of Commissioners of Income-tax and be low, the powers have been delegated to the Central Board of Direct Taxes. Generally, an officer is expected to move from a post after three years. In metropolises an officer may be re tained in the station for eight years and in smaller cities from three to five years. In a careerspan an officer should not normally stay in a Region/ Charge for more than 14 years. These guidlines are not discriminatory to wards any officer.

Special tariff protection sought by pharmaceuticals industry

7784. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether the pharmaceuticals industry is seeking special tariff protection for five or seven years for new high-tech products as recommended by the Chelliah Committee; and

(b) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Government have not received representation from the Pharmaceuticals industry seeking special tariff protection for five or seven years for new high-tech products.

(b) Does not arise in view of (a) above.

Pending loan applications with IFCI in Karnataka

7785. SHRI B. K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the term-loan application for three newly formed Sugar Cooperatives in Karnataka in which the State Government has stakes, are pending with the Industrial Finance Corporation of India (IFCI) for the last six years and if so, the reasons for such delay:

(b) whether, as a precondition to IFCI clearing the term loan applica tions, the State Government of Kara nataka had settled the overdues off the existing cooperative sugar units in the State as Guarantor: and

(c) whether the IFCI is now bent upon linking the sanctioning of term loans for new sugar factories in the cooperative sector with the clear ance of overdues of the cooperative textile units in the State and if so, the rationale behind this arbitrary attitude on the part of IFCI?'

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Industrial Finance Corporation of India Limited (IFCI) has reported that applications for these three newly formed sugar cooperatives are pending with the financial institutions since 21.11-1990, 4.1.1991 and

8.4.1991 respectively. The processing ot these applications was held up till March, 1993 awaiting revision in the incentive scheme for new sugar project by Government and thereafter for want of clearance of the subsisting defaults committed by the existing assisted sugar/textile units in the co-operative/state sector in the State of Karnataka.

(b) IFCI has reported that the State Government of Karnataka has so far cleared the institutional overdues in case of one sugar co-operative mill and has arranged for part clearance of institutional overdues in case of another sugar mill. The State Government has yet to arrange for clearance of the subsisting institutional defaults in case of other sugar/textile units in the co-operative/state sector whose loans have been guaranteed by it.

(c) IFCI has reported that the financial institutions have been insisting right from the beginning on clearance of the defaults committed by sugar/textile units in co-operative/ state sector.

Contravention of income tax act

7786. SHRI O. P. KOHLI Will the Minister of FINANCE be pleased to state:

fa) whether the attention of Government has ben drawn *to* the newsitem captioned "I-T Act officers no key to contravention'" appearing in the 'Indian Express' dated the 7th May, 1995;

(b) it so, the details thereof; and

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) The news article refers to a transfer of shares of a company owning imimovable property and states, that this transfer of shares of the company has resulted in transfer of interest in the immovable property without taking any aproval of the Appropriate Authority of the Income-tax Department. Such transfers of interest in the immovable property are apparently covered by the provisions of Chapter XXC of the Income-tax Act, but the tax authorities have been alleged to be ignoring such transactions by not insisting on taking a no objection certificate from the Appropriate Authority.

(c) Transfer of shares of a company, as per the existing law, does not require approval of the Appropriate Authority of the Income-tax Department. The Income-tax Department has initiated a detailed investigation and is taking appropriate action as permissible under the law under the various Direct Taxes Acts.

Property purchased by NRI

7787. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn into the news item captioned "Violating tax. RBI laws: NRI buys property for a song" appearing in the Indian Express dated the 21st March, 1995;

(b) if so, the facts thereof; and

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) The newspaper report refers to a purchase of faram house for Rs. 24 lakhs by a non-resident. Indian alleging that its market value